

MINUTES OF THE MEETING OF THE LOWER SOUTHAMPTON TOWNSHIP BOARD OF SUPERVISORS HELD ON WEDNESDAY, JUNE 24, 2015 AT 7:30 PM IN THE ADMINISTRATION BUILDING, 1500 DESIRE AVENUE, FEASTERVILLE, PA 19053

Roll Call: Keith Wesley  
Ed Shannon  
Patrick Irving  
Kim Koutsouradis  
Joseph McFadden

Staff: John McMenamin, Township Manager  
Michael Savona, Township Solicitor  
Carol Drioli, Zoning Officer  
Joseph Galdo, Finance Director  
William Wiegman, Police Chief  
William Oettinger, Fire Marshal  
Janet Hude, Township Secretary

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Keith Wesley called the meeting to order at 7:30 p.m. followed by the Pledge of Allegiance.

Mr. Wesley noted that the Board held a Work Session prior to the meeting to discuss some relevant issues with regard to Liquid Fuels money and some stormwater management issues to do with several basins within the Township, also held a short Executive Session to discuss some personnel issues.

INTRODUCTION OF NEW FIRE INSPECTORS – ETHAN CRIVARO & RYAN SMITH

William Oettinger, Fire Marshal introduced the following new Fire Inspectors:

Ryan Smith – has over ten years' experience as a fire & safety service technician & has been a Volunteer Fire Fighter for over 13 years. Ryan's work experience & certifications should provide the necessary skills to conduct fire inspections & serve the Township well.

Ethan Crivaro – has been a Volunteer Fire Fighter for over 7 years & is currently employed by Northampton Township as a per diem Fire Fighter. Ethan has a Bachelor of Arts Degree from Bloomsburg University. Ethan's work experience & certifications should provide the necessary skills to conduct fire inspections & serve the Township well.

Mr. Oettinger noted that both Ryan and Ethan will start working for the Township on Monday, July 6<sup>th</sup>.

PUBLIC PORTION: No one came forward

1. CONSENT AGENDA

- a. APPROVAL OF MINUTES JUNE 10, 2015
- b. APPROVAL OF ACCOUNTS PAYABLE JUNE 24, 2015
- c. APPROVAL OF CERTAIN RE-OCCURRING MONTHLY BILLS
- d. ADOPT RESOLUTION 2015-19 ACCEPTING PLANS FOR A MINOR SUBDIVISION FOR LEO LAPAT, 1815 BUCK ROAD

Patrick Irving made a motion approve the following;

To approve Minutes of June 10, 2015, subject to any additions or corrections.

To approve Accounts Payable June 24, 2015, subject to Audit.

To approve certain re-occurring monthly bills.

To adopt Resolution 2015-19 accepting plans for a Minor Subdivision for Leo LaPat,  
1815 Buck Road

Seconded by Ed Shannon

Motion passed with a vote of 5-0

2. DISCUSS./APPROVAL OF COMCAST CABLE FRANCHISE NEGOTIATIONS BY COHEN  
COMMUNICATIONS LAW GROUP – DANIEL COHEN

Mr. McMenamin said the Board has had the proposal from the Cohen Communications Law Group for approximately a month, Upper Southampton is willing to go along with us on this, they have not made up their minds on the Audit portion of the proposal, however, his impression is that if we go along with the Audit they will. Mr. McMenamin said the Cohen Group did negotiate the last contract for both Townships together and doing this together it will save each Township 10% on the renewal fee of the contract and 10% on the Audit fee. Mr. McMenamin said in other words the fee without the 10% coming out would be \$16,800 and if both Townships do the renewal and audit the price would be \$13,608 for each of us.

Mr. Shannon asked is this something that normally goes out to bid. Mr. Savona said this is a professional service so it is not required to go out to bid, but if the Board wanted they could go out to bid with a RFP. Mr. Savona said the issue with Telecommunication Law Groups in Pennsylvania is there really was only two attorneys – two law firms who could do this, one is Mr. Cohen's firm in Pittsburgh and the other was Fred Polner who did work here in Bucks County 10 years ago, he has since retired and moved to Florida, so Mr. Cohen is really the only game in town and he has done these franchise agreements literally all over the State, he is very good, very good to work with and because he has had a history with us and since he has already done the joint franchise agreement we have now he is not going to have to start from scratch he will be able to hit the ground running, he knows our agreement – he wrote the agreement so he can pinpoint the areas with Comcast that he needs to focus on and he feels the Township will ultimately get a better deal out of it. Mr. Savona said he does encourage the Board and it bears letting the Public know when Mr. McMenamin refers to the Audit portion of this proposal, as part of our Franchise Agreement with Comcast the Township gets paid 5% of their gross revenue as a franchise fee and the Township has a right to that under the Federal Statute, every agreement says that, however, when he talked to Mr. Cohen about providing us with a proposal he mentioned for the first time that he is recommending an Audit be conducted because they are finding in about 80% of the cases Comcast is not paying everything they should be paying, so in most incidences we may authorize spending \$13,608 but there is a high probability that the Township will get a little bit more of that back if we find out that over the last 3 to 5 years Comcast's Bookkeepers have not kept track of all the things they are supposed to pay gross revenues on, so that is one thing he would like to call the Board's attention to, it is a possibility for an untapped revenue source that we did know about.

Mr. McFadden said based on that, this is just Comcast this is not a relationship with other providers, we have to do this again with Verizon when their contract is up. Mr. Savona said that is correct.

MOTION: Kim Koutsouradis made a motion to approve the agreement with Daniel Cohen of Cohen Communications Law Group for both the Renewal and Audit of Franchise Agreement with Comcast. Seconded by Ed Shannon  
Motion passed with a vote of 5-0

Mr. Irving asked do we know the time frame on this process. Mr. McMenamin said no he will have to get that from Mr. Cohen. Mr. McMenamin said he knows the contract is up in approximately two more years, we were first notified probably 10 to 12 months ago by Comcast, who by law has to let the Township know 3 years in advance, so he will talk to Mr. Cohen tomorrow. Mr. McMenamin noted that we also have to make sure that it is approved by Upper Southampton to get the additional 10% discount and then we will work on the time frame to start the negotiations.

3. APPROVE THE SUBMISSION OF GROWING GREENER GRANT APPLICATION TO DEP FOR THE STORMWATER RETRO FIX FOR THE BROOKSIDE BASIN AND THE PENNSYLVANIA BOULEVARD BASIN

Mr. McMenamin said this is a Growing Greener Grant through the Wm Penn Foundation and DEP, we have some stormwater basins that could use the upgrade and that is for the Poquessing Creek Feeds. Mr. McMenamin said the Brookside Stormwater Basin, which is in Pine Tree Farms is a basin that was neglected over the years, we did start work last year on clearing trees out of there and other debris to clean it up. Mr. McMenamin said we have been working with the Pennsylvania Environmental Council and the Friends of the Poquessing who we met with over the past year and the grants have now become available and we are also working through them with Temple University in putting the grant together and it will roughly be about \$100,000 grant with a 15% match from the Township. Mr. McMenamin said the matching goes back 4 years for any monies we spent on the basins involved in this grant and the other basin involved in this grant is the Pennsylvania Boulevard basin located off of Pennsylvania Boulevard and also the 15% match could be worked in kind with regard to what our guys are doing or have done over the last 4 years in those basins, so we should already be fairly covered for that cost. Mr. McMenamin said we will have engineering fees because we must send Tri-State out there to draw up what needs to be done working with the Friends of Poquessing and get the application submitted and he believes it has to be submitted by mid-July, not sure what the time frame would be in getting the grant, but we do have a good shot of getting this grant working through the Friends of Poquessing and the Pennsylvania Environmental Council. Mr. McMenamin said this also goes along with our MS4 that we must submit to the DEP and it also goes a long way in the environment doing the right thing – bringing these basins up to date and that actually works not only in holding the water back but also filtering the water as it goes through the basins.

MOTION: Joseph McFadden made a motion to authorize the Township Manager to submit the Growing Greener Grant to DEP for the Stormwater Retro Fix for the Brookside Basin and the Pennsylvania Boulevard Basin. Seconded by Patrick Irving  
Motion passed with a vote of 5-0

Mr. Irving said this is great stuff, this is outside of the box thinking, you guys are doing a great job doing these types of things, essentially, not to sound greedy but this is free work – over the last 4 years what we put into it to get this grant and upgrade these basins – just want to thank you. Mr. McMenamin said Joe Condo has worked with him on this and taken these people out to the sites, identifying the right sites, they have visited many basins in the Township that lead

into the Poquessing when they did the survey – number one they were the two biggest basins and they were the two that would have the most impact with the grant.

#### 4. DISCUSSION ON RFP FOR PENSION ADVISOR

Mr. McMenemy said this is another item that hopefully the Board has had an opportunity to look over. Mr. McMenemy said we do have one further item to go along with this and that is the Investment Policy Statement that we should come up with, he is meeting tomorrow with the Police Pension Committee, as recommended by the Board, to keep them in the loop of what is going on. Mr. McMenemy said the Investment Policy Statement, of course, applies to them because that is the Policy you as the Board makes on the investments and on the Non-Uniform side the individuals make their own policy on how they want to invest their money, but with the Police the Board is challenged with that job to make those decisions and you have copies of that if you want to go with what we have or if there are any changes you want just let me know so that we can move forward on this.

Mr. McFadden said he actually has a question from the actual RFP, which of course is the guidance we asked for moving forward – he is referring to Section D – Performance Evaluation – as we remember the request for this was kind of triggered by concerns expressed by some Board members of decisions that were made concerning this. Mr. McFadden said this is not to critique those decisions or anyway establish that, but if going for this it seems to him in reading Section D we are placing it in the court of the individuals who are applying or sending in RFP's to define what their own performance evaluations would be, he thinks. Mr. McFadden said do we know or are there available any models of Performance Evaluations that we might apply to this when we are making our decisions, he thinks if we are going to be looking at these over the years then maybe we should be having our own say in terms of this – are we looking for the individuals to model these and then maybe come up with a composite of all of those. Mr. McMenemy said what he thinks you are looking at is possibly some kind of performance based on what other Townships and other plans are doing and we just started to take part in a Bucks/Montgomery County pension survey we have received some of that information but not all of it, but it gives a comparison of what their rate of return is, what their assume rate was going to be, what their fees are, how their investments is whether equities or fixed – with their prospective they will do their philosophy and their different ways. Mr. McMenemy said he recently went to a Consortium meeting along with Joe Galdo and a lot of the discussion was from several different Pension Advisors – their philosophies and their investment strategies' and they did vary , but with Act 44 which came into effect a couple of years ago we have not done anything in that and this will be the first time in doing that and if he heard the Board right when we discussed this in a Work Session several weeks ago, as a part of the process you want the Pension Committees to be involved in those discussions. Mr. McFadden said he thinks what he is looking for with this portion of the discussion is what do we give the Pension Committees in terms of their criteria or metrics for lack of a better term how are they going to qualify the performance of who we select over the course of the contract or even as we are making the selection how can we compare apples to apples – oranges to oranges versus one person's appraisal of how they would be graded versus another which is very hard to do in his own personal experience with his family's financial management – he can't imagine what it would be at the Township level, trying to get his arms around kind of a model here that we would be using and your idea of what is happening in other Townships might be very appropriate. Mr. McMenemy said unfortunately when you take Investment Advisors they can show you what they did yesterday but nobody can guarantee what happens tomorrow and that's the one thing and the big thing you have to take into consideration, while the Board is

responsible for the investments strategy and the advisor and it is other people's money that you are dealing with not only the tax payers but also the individuals that are contributing to the plan so having them involved is a good thing.

Mr. Savona said part of what you are looking for and keep in mind when you are talking about Performance Evaluation and investment fund performance guidelines what these proposals are designed to do is to get the individual Brokers to give you sort of a snap shot of how they do business, what they think are good investments, what they think are bad investments – performance evaluation meaning how they evaluate how funds perform, when they are making recommendations to you about where to put the Township's pension funds or the pension funds generally. Mr. Savona said theatrically when you come through this you are going to get a lot of different viewpoints from different Brokers and all Brokers are different and that is supposed to be designed to give you a good opportunity to take a look at one guy who maybe more aggressive or another who may like to keep more cash on hand, another guy who may want to do something a little different, it gives you the opportunity to compare and figure out who best suits your investment policy – who have an existing investment policies – this is for you to find the guy who you think will best manage the way you would like your funds managed.

Mr. Shannon said in addition to that, keeping the Police Pension Committee involved in this is critical because it is their money not ours, so we may have very strong opinions about things, but is equally important to have their opinions because it is their money. Mr. Shannon said he obviously has a very opinionated view of this which we have discussed and he believes that our current investor has too much in cash, but it doesn't make him right or wrong it just means he doesn't think it is a prudent way to do things and that would be his concerns about this on an ongoing basis – you have a million dollars that is not making money and he thinks that is part of what participated this whole process and why we should be looking at something different. Mr. Shannon said now having said that there are a lot of people out there doing this but the number of people that who do it for Townships and Government is probably much more limited then we even think it is.

Mr. Wesley said it ought to be interesting how many of these Advisors when they give us their cost ratio is – may find out it is the norm. Mr. Shannon said could be.

Mr. Irving asked when are we looking for the responses to be returned. Mr. McMenamin said it is up to the Board, when you want it put out, when you want it back, when you want it closed, etc. Mr. Savona said normally from the time you advertise till the proposals come in it is 60 days – you want to direct in the advertisement – if there are any questions regarding the contents of the proposal –give a contact person – give them up to a specific date to have the proposals returned. Mr. McMenamin noted that they will be asking for our last six months returns on what we have now – do we give that to them. Mr. Savona said yes financial records like that, as long as they don't contain personal social security numbers they are all public records under the Right-to-Know Act and if you are not sure call me. – Discussion ensued.

Mr. Savona said what this RFP does is asks everybody to submit to the Board a uniform set of answers to the same questions, so if they do what they are supposed to do you will be able to compare each one – you won't be comparing apples to oranges – you will be comparing apples to apples. Mr. Savona said the actual information they will need is what the total commuted assets of the Pension Fund is, how much is coming out monthly, what does your current

investment portfolio look like where it is, and what are the quarterly statements so they can look at your last year's rate of return and these are all public documents.

Mr. McFadden said he would like to add to this discussion – his preference would be not to provide that documentation up front that we let them ask for it and we would like to know in terms of everybody who does apply what they did ask for thinks we could use that as kind of an indication of what their due diligence is, what kind of interest they have, what they are digging for. Mr. Savona said trust me it will be evident in their proposal, you will not need to go through every page of what they ask for – you will know.

MOTION: Ed Shannon made a motion to go forward with the RFP for an Investment Advisor. Seconded by Joseph McFadden  
Motion passed with a vote of 5-0

Manager's Report:

Round About – is open, there is paving that has to be done and it will be done at a later date – no date at this time. Mr. McMenamin said his concerns that the he expressed to PADOT was that when they pave this area that they keep everything open and running whether there is a Flagman during the day and if paving during the middle of the night also have a Flagman so that people can get through there – PADOT will discuss this with the Township when the paving is to begin.

Maple Avenue Bridge – in a couple of weeks they will be starting to put in the cross-beams on the bridge. The bridge is moving along on or before schedule – it is really beginning to take shape.

Flood Plain Administrator – we discussed this in our Work Session tonight and he would like a motion designating the Township Engineer-Tri-State Engineering as our Flood Plain Administrator and get from them an hourly rate to be added to our fee schedule.

MOTION: Patrick Irving made a motion to appoint the Township Engineer-Tri-State Engineering as the Flood Plain Administrator at a rate to be set at a subsequent fee schedule amendment. Seconded by Ed Shannon  
Motion passed with a vote Of 5-0

Liquid Fuel Audit – received this Audit today and it went back to years 2010, 2011, 2012 and 2013. Normally it is a two year Audit but they came in about 1 ½ ago to do a three year Audit and then they came back roughly six months ago and figured while they were here they may as well do an Audit on the year 2013. Mr. McMenamin said in the Audit there were three Findings that they put out and the first one was a failure to properly prepare form MS965 and during the Audit for the years 2010, 2011 and 2012 they did find some things that were corrected and for 2013 the Auditors conclusion is that we were compliant in 2013 and of course they will look at the future years to make sure we are still in compliance. Mr. McMenamin said they did recommend that we insure that it was done complete the managements response which was from him was really no response because during that same conversation he said 2013 is good. Mr. McMenamin said on Finding #2 it was idle funds held in non-bearing accounts which was done in earlier years in 2013 the municipality did maintain their money in an interest bearing accounts, but of course in today's interest rate it is not a lot, there was no response even though he told us that it was there in 2013 and we have that. Mr. McMenamin said the Finding #3 was something that happened back for the year 2009 which went into 2010 and that was for removing waste from the streets – Street Sweepings – and in

doing so we were billed for something that was picked up in 2009 and we didn't get the bill until 2010 and paid it and our money through 2010 went over the \$10,000 no bid threshold and therefore they are asking for the entire amount that was paid calling it ineligible of \$14,220 we will be appealing this, which we have the right to do to the Department of Transportation to seek relief, if not than it is something we will have to pay. Mr. McMenamin said in the meantime once the Auditors came in and pointed that out we changed the whole function in picking up the street sweepings and since then we have come nowhere near that total, so we are saving money on that end and also saving on future problems, but overall in going through 4 years of audits they really only focused on one significant finding and that was for the overage for 2009-2010 years.

Township Audit – we just received the Township Audit will email the Board a copy of this, should receive the hard copy by the end of the week and will distribute it to the Board, Department Heads and also copies will be available at the Township Library. Mr. McMenamin said some of the highlights of the 2014 Audit – it was a clean audit, our General Fund is a positive asset of \$374,542.00 that went to the bottom line of the General Fund and that included the \$250,000.00 that was moved to the Capital Reserve and increasing the Library's budget by \$50,000.00, so we had a pretty good year in watching what we were spending throughout the various Township departments. Mr. McMenamin said our total net position increased .7 million on the Government side and .2 million on the business side which is sewer and sanitation. Mr. McMenamin said our cost for running the Township was down by .6 mil from the previous year 2013 and overall expenses are down 4% from 2013, so at this point we are keeping a practice of keeping low Township property taxes and our monies are coming from income tax and reasonable user fees which have kept pace throughout the years of roughly 19.3% of our revenue is from that and 19.7% or 2.9 million of our General Revenue is from property tax. Mr. McMenamin said between our Department Heads and Finance Director we have been able to once again have a good positive year, we are building our reserves not only in the Capital Fund but also our General Reserve, our people have done a good job for the Board.

Mr. Wesley said that is good news, Mr. Galdo thank you, and to all Department Heads thank you – you all do a phenomenal job – again thank you.

Mr. Koutsouradis noted that we had some issues with the Comcast Channel, has that been resolved. Mr. McMenamin said it has finally been resolved. Mr. McMenamin noted that what Mr. Koutsouradis is talking about is the Comcast airing was not going out and it took us some time to finally get a good technician in here to fix it, he found that we had a bad filter and hopefully within the next several weeks this technician will be back to move the filter to a safer place.

Mr. Koutsouradis said he would also like to wish everybody a happy 4<sup>th</sup> of July, please residents please come out and enjoy the Township's 4<sup>th</sup> of July parade it is a great event.

Mr. Shannon noted that the Township's 4<sup>th</sup> of July parade is historical and we have the businesses of the Township to thank for the parade in addition to our Public Works Department, Police Department and really all the people in the Township. Mr. Shannon said we have to raise our own money to put this parade on, but that is why we thank the business people for. Mr. Shannon said we print about 3,000 booklets which are handed out the day of the parade and we would like everyone to support the businesses that have advertised in this booklet. Please come out and enjoy the parade and have a great time.

Mr. Irving asked Mr. Shannon how many people do you have on the Parade Committee, knows this is a year round committee. Mr. Shannon said we start the first of January preparing for the parade, we probably have about 20 to 25 people, they are the people who work the parade, they are Captains who set the parade in motion, and we spend approximately 7 to 10 months preparing for this parade.

Mr. McFadden said he just would just like to recognize that yesterday was the first day of summer and he would like to reach out to the Public Works Crew, our Emergency Services people and everybody who are out there working in this heat – be careful stay hydrated and

that also goes for our residents who may decide not to get into air conditioning – stay hydrated and let the Emergency Service people know if you start having a problem with heat exhaustion or heat stroke – have a great summer.

Mr. Wesley said he just has one thing – a couple of weeks ago he saw on the news where a Camden County Police Officer stopped to help a child with his bike, which he thought was a good thing. Mr. Wesley said so if anybody is out even kids if you see one of our Police Officers step up and introduce yourself we have a great Police Force and they are very approachable. Hope everyone has a great summer.

Mr. Shannon said he had a couple more things that he forgot – one being is the FBA will be holding their Annual Golf Outing on Monday, July 13<sup>th</sup> and we will be having some celebrities there from the Flyers and Phillies. This is the event that gives us money to give to local charitable organizations and we present this money at a Board of Supervisors meeting. The second being the FBA is also holding a Blood Drive which will be held on Monday, July 27<sup>th</sup>, from 2pm to 7 pm at Twining Hall, 4900 Street Road.

Mr. Irving said a couple of months ago him and his wife got an electric bill and it was probably double from what he paid the prior year – what happen was when those companies came around to offer everyone a new electrical company instead of PECO at a lower rate we took it those prices have now sky rocketed and the prices are now 2 ½% higher than PECO's rates and unless you look at your bill and see what your being charged some people are really getting hammered, we were getting \$400 to \$600 bills when they would have been \$200 under PECO, so please just look at your electric bills and compare to what you used to pay – when he went back to PECO his rates went down drastically.

Mr. Wesley said it is summer time and there is a lot of door knocking from different vendors and the Township has an Ordinance that states you must have a license, so please make sure these vendors have a license from the Township which identifies them as who they say they are.

Mr. McFadden said something comes to mind that he was talking about this past week and he is wondering about it – Ice Cream vendors we know that there is a lot of stuff going on regarding our children and about people getting back ground checks before they have access to our children do we know any information about ice cream vendor on background checks and are they permitted by the cards to come in and sell ice cream within our Township. Ms. Drioli said ice cream vendors have to come in to the Township and get a solicitation permit at a cost of \$25.00 a month and a \$25.00 initiation fee. Ms. Drioli said we basically give them a card that they are supposed to carry with them, they get a criminal background check and we get a copy of their license and also a certificate from their employer saying they work for them, all copies are sent down to the Police Department. Ms. Drioli said the Police are very cooperative with this and they will stop the ice cream vendors to see if they have all the proper information with them.

MOTION: Joseph McFadden made a motion to adjourn. Seconded by Ed Shannon  
Motion passed with a vote of 5-0

There being no further business the meeting adjourned at 8:20 pm.

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Ed Shannon, Secretary



Summary of Work Session June 24, 2015

- ✓ Agenda – item #3 Growing Greener Grant application to DEP will not be a Resolution will just need a motion to authorize the Township Manager to submit this grant application to DEP. This is a 15% grant match by the Township and the grant is for \$100,000 our cost would be \$15,000 but we can go back 4 years with regard to work that we have already done and it probably will not cost anything.
- ✓ Liquid Fuels Audit – went back 4 years – there were three findings – two of the findings have been corrected and the Township is already doing which complies with the 2013 Audit. There was a problem in the years 2009 & 2010 with regarding street sweeping the Township paid the 2009 in 2010 and because of this our 2010 went over the threshold of \$10,000 and they are now saying we owe \$14,220, the Township will be appealing this to the Department of Transportation.
- ✓ Township Audit – had a clean Audit we have \$370,000 in the General Fund and that is with putting \$250,000 into the Capital Reserve and giving the Library an additional \$50,000. Discussion ensued.
- ✓ Ms. Drioli said noted that the Brownsville Road Project is still in a holding pattern, all of Bensalem's Board is not on Board with this. Ms. Drioli said she would still like to hold a meeting to get things started – she would like to start looking for grants for this project.
- ✓ Ms. Drioli said she would like the Board to appoint John Genovesi our Township Engineer, of Tri-State Engineering to be the Township's Flood Plain Administrator so he can sign off on Certificates sent into the Township by Insurance Companies. The Insurance Companies will not provide Flood Insurance to our residents without the Township stating that the property is in the flood plain area. There will have to be a fee added to the fee schedule to do this also.
- ✓ Ms. Drioli stated that the owner of the K-Mart property has reached out to her to have a meeting on July 22<sup>nd</sup> with regard to this property.